



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#4 of JUNE 24, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

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June 24, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 2 TO AGREEMENT NO. 67675
FOR FUNDING, OPERATION, AND MANAGEMENT OF
THE LOS ANGELES COUNTY MUSEUM OF NATURAL HISTORY
(SECOND DISTRICT AFFECTED) (3 VOTES)**

SUBJECT

The Los Angeles County Museum of Natural History requests that the 1994 funding agreement between the County and the Los Angeles County Museum of Natural History Foundation be amended to reflect growth in facilities and programs at the Los Angeles County Museum of Natural History.

IT IS RECOMMENDED THAT THE BOARD:

Approve and instruct the Chairman to execute Amendment No. 2 (Amendment) to County Agreement No. 67675 with the Los Angeles County Museum of Natural History Foundation (Museum Foundation) which will amend the 1994 funding agreement (Funding Agreement) to increase the base amount of the County's funding obligation by \$1.0 million annually. The increase will allow the County and the Museum Foundation to continue the successful operation of the Los Angeles County Museum of Natural History (Museum).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Under the current Funding Agreement, approved in 1994, the Museum Foundation and the County agreed to formalize their mutual funding commitment to the Museum. The Board's approval of this Amendment will ensure that the Museum maintains and enhances a robust program of services to the public.

Since 1994, the Museum Foundation has undertaken significant capital improvements to the Exposition Park location that included converting three and one-half acres of hardscape into over 150,000 square feet of outdoor programmable space with learning gardens, a car park, and a new ticket booth. An additional 150,000 square feet of space within the Museum has been substantially renovated or newly constructed to also include gallery space and new permanent exhibits such as the Age of Mammals, Dinosaur Hall, and Becoming L.A., as well as amenities such as a new café, museum stores, bathrooms, elevators, and universal access ramps. In addition, the improvements will enable the reinstatement of the Museum's robust temporary exhibition program to further enhance the visitor experience.

The Natural History Family of Museums has over 1.1 million visitors annually and has one of the most diverse audiences in the nation. County residents make up 71 percent of the Museum's visitors, with more than 220,000 people who take advantage of the Museum's free admissions programs each year (Free Tuesday, California teachers and educators, military, and EBT card holders). In addition, nearly 200,000 school children visit the Museum free of charge. Approximately 500,000 children and their families participate annually in educational programs which include free programs such as Sustainable Sundays, Junior Scientists, Critter Club, Bug Fair, live animal presentations, and tours; as well as paid programs including First Fridays, field trips, gardening classes, and workshops.

In order to adequately reflect the increase in operating costs due to the significant improvements in facilities and programs, the Museum requests that the County's base funding amount be increased by \$1.0 million annually beginning in fiscal year (FY) 2013-14. As set forth in the Funding Agreement, the Museum Foundation is required to contribute an amount not less than 80 percent of the County's contribution. The Museum Foundation has contributed well in excess of 100 percent of the County's contribution every year.

Implementation of Strategic Plan Goals

The recommended action supports countywide Strategic Plan Goal 1: Operational Effectiveness, to maximize the effectiveness of processes, structure, and operations to support timely delivery of customer-oriented and efficient public services; and Strategic Plan Goal 2: Fiscal Sustainability, to strengthen and enhance the County's capacity to sustain essential County services through proactive and prudent fiscal policies and stewardship.

FISCAL IMPACT/FINANCING

In FY 2013-14, the County's funding obligation under the Funding Agreement is \$14,965,000 and is included in the FY 2013-14 Recommended Budget approved by the Board on April 16, 2013. Approval of this request will increase the County's contribution by \$1.0 million in FY 2013-14 to \$15,965,000. The Museum Foundation is required to match the County's new contribution amount by a minimum of 80 percent.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On July 12, 1994, the Board and the Museum Foundation confirmed their mutual funding responsibilities for the operation and maintenance of the Museum facilities under the Funding Agreement with an initial term of 25 years.

Additionally, on September 26, 2006, the Board approved Amendment No.1 to the Funding Agreement which extended the term 75 years from that date and clarified other various responsibilities of both the County and the Museum Foundation.

Amendment No. 2 is made in recognition of the longstanding public/private partnership between the County and the Museum Foundation which has evolved over many years and will continue to do so.

County Counsel has approved this Amendment No. 2 as to form.

ENVIRONMENTAL DOCUMENTATION

Amendment No. 2 does not meet the definition of a "project" which is subject to the California Environmental Quality Act.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no negative impact on current services. Approval of Amendment No. 2 will ensure affordable, quality cultural experiences, and life-long learning opportunities for the community, as well as bolster the Museum Foundation's ability to increase its base of private support through enhanced donor and investor confidence.

CONCLUSION

Upon the Board's approval, the Executive Officer, Board of Supervisors is requested to return one original signed copy of the Amendment and one adopted stamped Board letter to the Museum Foundation, Attn: Jane Pisano, 900 Exposition Blvd., Los Angeles, CA 90007; as well as one adopted copy of the Board letter and Amendment to the Chief Executive Office.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'WTF', followed by a stylized flourish.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:GS
BAM:cg

Attachment

c: Executive Office, Board of Supervisors
County Counsel
Museum of Natural History
Museum Foundation

AMENDMENT NO. 2
to
FUNDING AGREEMENT
for the
LOS ANGELES COUNTY MUSEUM OF NATURAL HISTORY

This Amendment No. 2 to the Funding Agreement for the Los Angeles County Museum of Natural History is made and entered into as of June 24 2013, by and between the COUNTY OF LOS ANGELES (the "County"), a body corporate and politic and a political subdivision of the State of California, and the LOS ANGELES COUNTY MUSEUM OF NATURAL HISTORY FOUNDATION ("Foundation"), a nonprofit public benefit corporation organized under the laws of the State of California.

WITNESSETH

WHEREAS, the County and the Foundation entered into that certain Funding Agreement for the Los Angeles County Museum of Natural History ("Natural History Museum") dated July 12, 1994 (the "Funding Agreement") providing for, among other things, mutual funding obligations based on an annual amount certain, subject to a yearly adjustment; and

WHEREAS, the County and the Foundation entered into that certain Amendment No. 1 to the Funding Agreement, dated September 26, 2006 ("Amendment No. 1"), which extended the term of the Funding Agreement an additional 75 years from the date Amendment No. 1 was executed, and made other amendments to the Funding Agreement to assure the continued stable funding and operation of the Natural History Museum and to implement potential improvements in funding and operations that were identified after the Funding Agreement was executed; and

WHEREAS, since the execution of the Funding Agreement, the facilities and programs of the Natural History Museum have significantly expanded under the management and direction of the Foundation; and

WHEREAS, the County and the Foundation wish to increase the base amount of the County's funding obligation and, as a result thereof, the amount of Foundation's funding contribution, in order to adequately reflect the recent significant expansion and resulting cost increases of managing, operating, and maintaining the Natural History Museum;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and Foundation hereby agree as follows:

I. The following new section is added to Section 8 of the Funding Agreement:

(K) Adjustment to County Contribution and Base Year Amount.

- (1) Notwithstanding Section 8(C), above, the County Contribution for the fiscal year July 1, 2013 – June 30, 2014 ("Fiscal Year 2014") shall be the sum of fifteen million nine hundred sixty-five thousand dollars (\$15,965,000).
- (2) Beginning in Fiscal Year 2014, the Base Year Amount established in Section 8(B) of this Agreement, shall be the amount of the County Contribution set forth in Section 8(K)(1) of this Agreement.
- (3) The Foundation Contribution, as defined in Section 8(D) of this Agreement, shall be calculated based on and reflect any upward adjustments and/or other increases provided by the County pursuant to this Agreement.

II. Except as expressly set forth in this Amendment No. 2 to the Funding Agreement, the Funding Agreement and Amendment No. 1 thereto shall remain in full force and effect according to their terms.

IN WITNESS WHEREOF, this Amendment No. 2 to the Funding Agreement has been executed for the parties by their duly authorized officers as of the date first written above.

LOS ANGELES COUNTY MUSEUM OF
NATURAL HISTORIC FOUNDATION

By: Jane G. Pisano
Jane G. Pisano, President



COUNTY OF LOS ANGELES

By: Mark Ridley-Thomas
Chair, Board of Supervisors
MARK RIDLEY-THOMAS

APPROVED AS TO FORM:

John F. Krattli
County Counsel

By: Joseph M. Vicchitta
JOSEPH M. VICCHITTA
SENIOR ASSOCIATE COUNTY COUNSEL

ATTEST: SACHI A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS
Sachi A. Hamai, Deputy

I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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JUN 24 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors
Sachi A. Hamai

67675
Supplement No. 2